

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 8105

BILL NUMBER: SB 555

DATE PREPARED: Jan 16, 2001

BILL AMENDED:

SUBJECT: Preference for Satisfying Workplace Standards.

FISCAL ANALYST: John Parkey

PHONE NUMBER: 232-9854

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill provides that an offeror who wishes to sell supplies to a governmental body, a state educational institution, a body corporate and politic, or the state lottery commission may claim a preference if the supplies were made by an entity in a country other than the United States and the entity's workplace meets specified standards. The bill provides that the preference is equivalent to a preference claimed for supplies manufactured in the United States.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill allows the Indiana Department of Administration (IDOA) to give preference to supplies manufactured by an entity in another country whose workplace has adopted certain standards. Any preference granted by the IDOA would be equivalent to the preference that may be claimed for supplies manufactured in the U.S.

This bill could impact the state in two ways: First, it would require the Department of Administration to develop a means to certify an offeror's compliance with the bill's workplace standards and it requires the Department to develop rules related to the provision. IDOA's costs associated with these provisions are expected to be absorbed using existing staff and resources. Secondly, the bill could increase the state's procurement costs if non-preferred items are available at a lower cost.

The impact of this bill will largely depend on the administrative actions of the Department.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Administration; State Educational Institutions; State Lottery Commission.

Local Agencies Affected:

Information Sources: Jay McQueen, Department of Administration, (317) 232-7636